

May 21, 2010

#### Bonnie D. Shealy

1901 MAIN STREET, SUITE 1200 POST OFFICE BOX 944 COLUMBIA, SOUTH CAROLINA 29202

(803) 779-8900 I (803) 227-1102 direct

FAX

(803) 252-0724 | (803) 744-1551 direct

bshealy@robinsonlaw.com

#### **VIA ELECTRONIC FILING**

Jocelyn Boyd, Interim Chief Clerk of the Commission Public Service Commission of South Carolina Post Office Drawer 11649 Columbia, South Carolina 29211

Re: Affordable Phone Services, Inc.

Docket Nos. 2004-146-C & 2008-249-C

Dear Jocelyn:

Enclosed for filing please find the application of Affordable Phone Services, Inc., doing business as Affordable Wireless, to amend its designation as an eligible telecommunications carrier and to amend its doing business as designation. By copy of this letter, we are providing the Office of Regulatory Staff with the same. Please let me know if you have any questions.

Very truly yours,

ROBINSON, McFadden & Moore, P.C.

Bonnie D. Shealy

/bds Enclosure

cc/enc: Mr. Joel Leonard

Dan F. Arnett, ORS Chief of Staff

Lessie Hammonds, ORS Staff Attorney

Mr. Justin Brewer (via email)

J. Andrew Gipson, Esquire (via email)

## BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

#### DOCKET NOS. 2004-146-C & 2008-249-C

IN RE:	)
	)
APPLICATION OF AFFORDABLE PHONE	)
SERVICES, INC., dba AFFORDABLE	)
WIRELESS, FOR DESIGNATION AS AN	)
ELIGIBLE TELECOMMUNICATIONS	)
CARRIER IN THE STATE OF SOUTH	)
CAROLINA AND FOR APPROVAL TO	)
MODIFY ITS DBA DESIGNATION	

# APPLICATION OF AFFORDABLE PHONE SERVICES, INC. TO AMEND ITS DESIGATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER AND TO AMEND ITS DBA DESIGNATION

Affordable Phone Services, Inc., doing business as "Affordable Wireless" ("Affordable Phone Services" or "Company"), hereby asks the Public Service Commission of South Carolina (the "Commission") to amend and clarify Order 2008-833 issued in this Docket on December 19, 2008, designating Affordable Phone Services as an "Eligible Telecommunications Carrier" in the State of South Carolina and for approval to modify its "doing business as" ("dba") designation. Affordable Phone Services requests that its designation as an ETC be amended to include its provision of wireless service for the purpose of offering and receiving low-income Federal Universal Fund ("USF") support. These proposed amendments do not materially affect the Commission's designation decision but will clarify the service offered by Affordable Phone Services and how those services are provided. Affordable Phone Services incorporates herein by reference the application, testimony, and advertising and outreach plan previously filed with the Commission in its original Application in this Docket No. 2008-249-C.

In the initial ETC application filed in Docket No. 2008-249-C, Affordable Phone Services was using the dba "High Tech Communications." The Company no longer intends to market under this dba designation and requests that it be allowed to instead use the dba "Affordable Wireless." Services will be marketed under both names: Affordable Phones Services, Inc. and Affordable Wireless.

1. All correspondence, communications, pleadings, notices, orders and decisions relating to this Application should be addressed to:

Stanley Q. Smith WATKINS LUDLAM WINTER & STENNIS, PA Attorney for Applicant 190 E. Capitol Street, Suite 800 Jackson, Mississippi 39201 Telephone: (601) 949-4900

Email: stansmith@watkinsludlam.com

Facsimile: (601) 949-4804

and

Bonnie D. Shealy Robinson, McFadden, and Moore, PC 901 Main St., Suite 1200 Post Office Box 944 Columbia, S.C. 29202 Ph.803.779.8900 Fax 803.252.0724 BShealy@Robinsonlaw.com

- 2. Affordable Phone Services, in addition to providing the supported services in its designated area via wireline modality, would like to begin providing the supported services via a Low Income only wireless telecommunications offering beginning as soon as possible in 2010, upon approval by this Commission.
- 3. Under Affordable Phone Services' proposed Low Income wireless offering, each eligible wireless customer will receive a handset at no cost to the subscriber. Because Affordable Phone Services has already been certified as an ETC throughout the non-rural service

area of BellSouth Telecommunications, Inc. dba AT&T South Carolina (AT&T") for purposes of receiving low income universal service support, the new wireless offering will supplement and not detract from the provision of supported services in such area. Affordable Phone Services is not seeking to expand its ETC designation beyond that geographic area for which it has already received certification, and Affordable Phone Services will continue to provide the supported services using a combination of its own facilities and resale of other carriers' services while advertising the availability of those services using media of general distribution. Affordable Phone Services seeks to amend Order No. 2008-833 to obtain the Low Income support for its wireless customers receiving service in its ETC designated area. The list of wire centers was provided to the Commission as Exhibit 1 of the initial Application filed on June 25, 2008, and is incorporated by reference

- 4. Consistent with the requirements of 47 C.F.R. § 54.201(d)(1), Affordable Phone Services, in its provision of wireless service, will rely on a combination of resold services which the Company will obtain from underlying wireless providers that currently operate owned networks, and Company-owned facilities allowing Affordable Phone Services to meet the FCC's test that require an ETC to provide services, at least in part, through a "combination of its own facilities and resale of another carrier's services".
- 5. Affordable Phone Services obtains services through CMRS service providers that allow the Company to supplement the services provided through Company owned facilities. Through these arrangements, Affordable Phone Services is able to offer all of the services and functionalities supported by the universal service program, as detailed in Section 54.101(a) of the FCC Rules, throughout its designated service area<sup>2</sup>, thereby allowing the Company to provide

3

<sup>&</sup>lt;sup>1</sup> See Section 214(e)(1)(A) of the Telecommunications Act of 1996 ("the Act") 47 USC § 214(e)(1)(A).

<sup>&</sup>lt;sup>2</sup> See 47 CFR § 54.101(a).

service to its customers throughout the geographic area served by non-rural provider AT&T South Carolina.

6. The Company's facilities are co-located with other carriers facilities, and provide Affordable Phone Services the ability to route interexchange services, which is one of the supported services.<sup>3</sup> Currently, there is no state or federal definition or requirement as to the number of, or the amount of, the supported services that an ETC must offer via its "own facilities." The ETC merely must provide some portion of the supported facilities through the use of the same, which Affordable Phone Services does. Therefore, Affordable Phone Services is able to meet the federal requirement that an ETC must offer the supported services at least in part through the use of its own facilities. Additionally Federal law does not require any particular level of facilities. The FCC stated in the USF Order that:

We adopt the Joint Board's analysis and conclusion that a carrier need not offer universal service wholly over its own facilities in order to be designated as eligible because the statute allows an eligible carrier to offer the supported services through a combination of its own facilities and resale. Although the Joint Board did not reach this issue, we find that the statute does not dictate that a carrier use a specific level of its "own facilities" in providing the services designated for universal service support given that the statute provides only that a carrier may use a "combination of its own facilities and resale" and does not qualify the term "own facilities" with respect to the amount of facilities a carrier must use. For the same reasons, we find that the statute does not require a carrier to use its own facilities to provide each of the designated services but, instead, permits a carrier to use its own facilities to provide at least one of the supported services.<sup>4</sup>

In affirming its own decisions, the FCC chose to continue to define the term "own facilities" as "any physical components of the telecommunications network that are used in the transmission of the services that are designated for support" (emphasis added). The Act's definition of "network element" matches that of the FCC and defines a "network element" as "a facility or equipment used in the provision of a telecommunications service such as features,

<sup>&</sup>lt;sup>3</sup> See 47 CFR § 54.101(a)(7).

<sup>&</sup>lt;sup>4</sup> USF Order FCC 97-157 at para. 169 (emphasis added).

<sup>&</sup>lt;sup>5</sup> See 47 CFR § 54.101; 47 CFR § 54.201(e).

functions, and capabilities that are provided by means of such facility or equipment, including subscriber numbers, databases, signaling systems, and information sufficient for billing and collection or used in the transmission, routing, or other provision of a telecommunications service." All facilities-based carriers – not just incumbent LECs – have and use network elements.<sup>7</sup>

## DESIGNATION OF AFFORDABLE PHONE SERVICES AS A WIRELESS ETC IN THE STATE OF SOUTH CAROLINA WOULD SERVE THE PUBLIC INTEREST.

6. "Upon request and consistent with the public interest, convenience and necessity" the Commission shall "designate more than one common carrier as an eligible telecommunications carrier for a service area designated" by the Commission. In doing so, the Commission "shall find that the designation is in the public interest". FCC Rules require that an ETC application demonstrate that designation would be consistent with the public interest, convenience and necessity and that prior to designating an ETC pursuant to section 214(e)(6), the Commission "shall consider the benefits of increased consumer choice, and the unique advantages...of the applicant's service offering". Pursuant with this requirement, Affordable Phone Services provides the following information that clearly demonstrates that Affordable Phone Services's inclusion of the Company's wireless service in its designation as an ETC is consistent with the public interest, convenience and necessity providing consumers with increased competitive choice through the offering of a unique service.

<sup>&</sup>lt;sup>6</sup> See 47 USC § 153(29).

<sup>&</sup>lt;sup>7</sup> Only ILEC network elements can be designated as "unbundled" under § 251(c)(3) using the criteria in § 251(d)(2), but all facility-based carriers, including nondominant wireline and wireless carriers also have "network elements."

<sup>&</sup>lt;sup>8</sup> 47 C.F.R. § 54.201(c).

<sup>&</sup>lt;sup>9</sup> Id.

<sup>&</sup>lt;sup>10</sup> Id.

<sup>&</sup>lt;sup>11</sup> 47 C.F.R. § 54.202(c).

- 7. The FCC has determined that while "[d]esignation of competitive ETCs promotes and benefits consumers...by increasing customer choice" designation must include "an affirmative determination that such designation is in the public interest regardless of whether the applicant seeks designation in an area served by a rural or non-rural carrier." 13
- 8. Although Affordable Phone Services is seeking ETC designation in areas that are typically served by wireline carriers, inclusion of its wireless service will provide a valuable alternative to the existing telecommunications services currently available in these areas and will promote competition and facilitate the provision of advanced communications services to low-income residents of South Carolina.
- 9. The public interest benefits of inclusion of the Company's wireless service include larger local calling areas (as compared to traditional wireline carriers), the convenience and security afforded by mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge, the ability to purchase additional usage in the event that included usage has been exhausted, 9-1-1 service and, where available, E9-1-1 service in accordance with current FCC requirements.
- 10. The inclusion of toll calling as a part of Affordable Phone Services's wireless offering, along with the fact that service is provided without a monthly recurring charge, will allow consumers to avoid the risk of becoming burdened with large and unexpected charges for toll calling and unexpected overage charges.
- 11. Inclusion of the Company's wireless service will also provide the incumbent LECs, serving the same area, an incentive to improve their existing networks and service offerings in order to remain competitive, which will result in improved consumer services and

<sup>&</sup>lt;sup>12</sup> 47 U.S.C. § 214(e)(2)

<sup>47</sup> O.B.C. § 214(c)(2)

<sup>&</sup>lt;sup>13</sup> See Federal-State Joint Board on Universal Service. 20 FCC Rcd 6371, ¶ 42 (2005)

will also benefit consumers by allowing Affordable Phone Services to offer the services designated for support at rates that are "just, reasonable, and affordable." <sup>14</sup>

#### The Benefits of Increased Competitive Choice

12. The FCC has also identified factors that are to be considered in determining whether designation of additional ETCs will serve the public interest such as whether the benefits of an additional ETC would outweigh potential harms. These factors include: 1) the benefits of increased competitive choice; and 2) the unique advantages and disadvantages of the applicant company's service offerings. Affordable Phone Services affirms that its ETC designation meets these criteria as described below.

13. As provided by the Telecommunications Act of 1934, the availability of basic telecommunications services to low-income consumers is critical to the provision of public health, safety, and other services. In addition, the FCC has long acknowledged the benefits to consumers of being able to choose from a variety of telecommunications providers and the resulting variety of telecommunications services they provide. This is of particular interest in cases where wireless providers, such as Affordable Phone Services, seek to provide service as an alternative to those of the traditional ILEC. In the *Highland Cellular* case, the FCC recognized and affirmed that some households may not have access to the public switched network as provided by the incumbent local exchange carrier. The availability of a wireless competitor benefits consumers, who routinely drive long distances to attend work or school or to accomplish everyday tasks such as shopping or attending community and social events. The wireless

<sup>&</sup>lt;sup>14</sup> See 47 U.S.C. § 254(b)(1).

<sup>&</sup>lt;sup>15</sup> See 47 U.S.C. § 54.202(c).

<sup>&</sup>lt;sup>16</sup> See e.g., Specialized Common Carrier Services, 29 FCC 2d 870 (1971).

<sup>&</sup>lt;sup>17</sup> <u>See</u> Federal-State Joint Bd. on Universal Serv., Highland Cellular, Inc., *Memorandum Opinion and Order*, 19 F.C.C.R. 6422 (2004).

service, offered by Affordable Phone Services, will provide these consumers with a convenient and affordable alternative to traditional telecommunications service that can be used while at home and away from home.

- 14. The Lifeline and Link Up service offered by Affordable Phone Services also provides important benefits that are especially needed by low-income South Carolina residents in this time of economic downturn. As the Commission is aware, the Dow Jones Average, a primary indicator of the health of the economy, has been at a low ebb for a considerable period of time. Thus, the savings accounts, upon which many depend on for emergencies and retirement, have significantly eroded. Since the recession began, 5.1 million jobs have been lost nationally, with nearly two-thirds (3.1 million) of the decrease occurring in the last 5 months. By January of 2010, the number of unemployed persons increased by 14.8 million, and the unemployment rate rose to 9.7 percent. As of March, 2010, South Carolina's unemployment rate was reported to be 11.7 percent<sup>20</sup>, which has a significant impact on many residents of the state. The availability of a mobile telephone will be critical to the efforts of the unemployed as they search for other employment opportunities. Without a regular paycheck, wireless telephone service would become a luxury beyond the means of many of those persons.
- 15. Affordable Phone Services's Lifeline and Link Up programs will enable thousands of residents to obtain wireless service which would otherwise be unavailable to them. The dire economic circumstances indicate that low-income individuals, now more than ever, can greatly benefit from the advantages offered by Affordable Phone Services's Lifeline and Link Up service, allowing those, adversely impacted by the failing economy or job loss, to have

Source United States Department of Labor Bureau of Labor Statistics.

<sup>&</sup>lt;sup>19</sup> *Id.* 

<sup>&</sup>lt;sup>20</sup> Id.

access to a free wireless service to assist in emergency situations, facilitate job search efforts, and to maintain contact with family members.

- 16. It is also a commonly accepted fact that in today's market, qualified Lifeline and Link Up customers view the portability and convenience of wireless service not as a luxury, but as a necessity. Mobile service allows children to reach their parents, wherever they may be, allows a person seeking employment the ability to be contacted by potential employers, and provides end users with the ability to contact emergency service providers, regardless of location.
- 17. Added together, Affordable Phone Services expects these additional competitive advantages to create an atmosphere that will cause many qualified consumers to select the Company's wireless Lifeline and Link Up service in lieu of the more traditional wireline or wireless services.

#### The Unique Advantages of Affordable Phone Services's Service Offerings

- 18. Affordable Phone Services will offer a unique, easy to use, competitive and highly affordable wireless telecommunications service, which it will make available to qualified consumers who either have no other service alternatives or who choose a wireless prepaid solution in lieu of a more traditional wireline or wireless services.
- 19. Qualified consumers will have the ability to acquire a wireless service that includes a free handset, local and long distance calling, and several features, all without the requisite credit check, deposit, and contract requirements of the more traditional wireline and wireless service providers. Through the Link Up program, Affordable Phone Services will be able to provide consumers with a reduction in the cost of the fees associated with the connection of service. Because Affordable Phone Services's service is provided with no credit check, deposit requirement, minimum service periods, or early termination fees the service will be an

attractive and affordable alternative to qualified low-income consumers without regard to age, residency, or credit worthiness. In short, Affordable Phone Services's Lifeline Service Plan offers qualified Lifeline customers a combination of wireless access and quality service at rates that are just, reasonable, and affordable.

#### Affordable Phone Services Wireless Lifeline Plan

20. Lifeline is a component of one of four separate federal universal service fund mechanisms<sup>21</sup> know as the "low-income support mechanism".<sup>22</sup> and is defined in 47 C.F.R. § 54.401 as "a retail local service offering" "available only to qualified low-income consumers" "for which qualifying low-income consumers pay reduced charges as a result of application of the Lifeline support amount" "that includes the services or functionalities enumerated in § 54.401(a)(1) through (a)(9)", which the Company will use to "[m]ake available Lifeline service...to qualifying low-income consumers".<sup>23</sup> Under the Company's Wireless Lifeline plan, Affordable Phone Services will provide qualified Lifeline customers who reside in the State of South Carolina with 75 minutes of free anytime local and long distance minutes each month and will use all low-income universal service support to allow the Company to provide the service with no monthly recurring charge ensuring that the consumer receives 100% of all universal service support funding for which the Company will seek reimbursement of USF Lifeline support necessary to provide the free minutes of airtime above.

<sup>&</sup>lt;sup>21</sup> 47 C.F.R. § 54.8(a)(1); See "Definitions" at second sentence.

<sup>&</sup>lt;sup>22</sup> 47 C.F.R. § 54.8(a)(1); See "Definitions" at first sentence.

<sup>&</sup>lt;sup>23</sup> 47 C.F.R. §§ 54.401(a), 54.401(a)(1), 54 401 (a)(2), 54.401(a)(3), 54.405(a).

- 21. The plan will also include a free handset and the following Custom Calling features:
  - (1) Caller ID;
  - (2) Call Waiting;
  - (3) Call Forwarding;
  - (4) 3-Way Calling;
  - (5) Voicemail.
- Although unused minutes will not roll over month to month, every 30-days customers will be given 75 additional free minutes. In the event that all airtime has been used, Lifeline customers will have the capability of purchasing additional airtime replenishment cards in \$20.00, \$30.00, and \$60.00 denominations. Airtime replenishment cards will be made available at retail outlets frequented by low income customers throughout the Designated Service Area.
- 23. Wireless handsets will be delivered at no charge to qualifying customers, service will be activated, and the requisite number of minutes will be added upon certification of the customer for Lifeline and Link-Up.

#### Affordable Phone Services Link Up Plan

24. Like Lifeline, Link Up is also a component of one of four separate federal universal service fund mechanisms<sup>24</sup> known as the "low-income support mechanism",<sup>25</sup> and is defined in 47 C.F.R. § 54.411 as an "assistance program for qualifying low-income consumers, which an eligible telecommunications carrier shall offer as part of its obligations set forth in §§ 54.101(a)(9) and 54.101(b)"<sup>26</sup> <sup>27</sup> (emphasis added). Assistance is in the form of a "reduction in

<sup>&</sup>lt;sup>24</sup> 47 C.F.R. § 54.8(a)(1); See "Definitions" at second sentence.

<sup>&</sup>lt;sup>25</sup> 47 C.F.R. § 54.8(a)(1); See "Definitions" at first sentence.

<sup>&</sup>lt;sup>26</sup> 47 C.F.R. § 54.411(a). The plain reading of this definition is that an ETC is obligated to provide this discount to qualifying low-income consumers. In addition, § 54.413(a) stipulates that carriers, that provide Link Up discounts, "may receive universal service support reimbursement for the revenue they forgo in reducing their customary charge for commencing telecommunications service…"

<sup>&</sup>lt;sup>27</sup> § 54.101(a)(9) is the specific obligation to offer Toll Limitation for qualifying low-income consumers while § 54.101(b) is the requirement that an "eligible telecommunications carrier must offer each of the" services designated

the carrier's customary charge for commencing telecommunications service for a single telecommunications connection" and "shall be half of the customary charge or \$30.00, whichever is less". <sup>28</sup> Consistent with FCC requirements, Affordable Phone Services will use Link Up support to reduce the company's "customary charge for commencing service" by "half of the customary charge..." <sup>29</sup>, which will result in a reduction of the Company's activation charge by \$30.00.

25. Qualifying subscribers will have the option of deferring the reduced activation charge over a twelve month period with no interest, thus allowing subscribers to obtain service without being required to pay any up front fees to activate service with Affordable Phone Services.

## Designation of Affordable Phone Services as an ETC Will Benefit Low Income Consumers in the State of South Carolina.

- 26. Inclusion of the Company's wireless service in its ETC designation will make Lifeline and Link Up discounts available to many more South Carolina residents. This is particularly true in the wireless field, where, to Affordable Phone Services's knowledge, there are a limited number of wireless providers offering USF-subsidized service and even fewer offering the same with absolutely no monthly recurring charge to the end user. As such, the service for which Affordable Phone Services seeks ETC status is unique.
- 27. Inclusion of Affordable Phone Services wireless service will serve the public interest by increasing participation of qualified consumers in the Lifeline and Link Up programs thereby contributing to an overall increase in the number of South Carolina residents receiving

for support "in order to receive federal universal service support". As a part of its application, Affordable Phone Services has demonstrated that it has the capability to and will offer all of the supported services specified in  $\S$  54(a)(1) – (9).

<sup>&</sup>lt;sup>28</sup> 47 C.F.R. § 54.411(a)(1).

<sup>&</sup>lt;sup>29</sup> 47 C.F.R. § 54.411(a)(1).

Lifeline and Link Up and an increase to the amount of federal USF dollars benefiting South Carolina residents.

28. Finally, inclusion of Affordable Phone Services wireless service will serve the public interest by furthering the extensive role that Affordable Phone Services believes it will play in the provision of communications service to low-income consumers, transient users, and other consumers who, due to the restrictive credit criteria, deposit requirements, and long-term commitments of wireline and traditional wireless service providers, are off network and, without any viable alternative, are likely to remain so.

## Inclusion of Affordable Phone Services Wireless Service Will Impose a Negligible Burden on the FUSF

- 29. Affordable Phone Services reiterates that it is applying for ETC designation solely for the purpose to provide Lifeline and Link Up discounts to qualified low-income consumers and to seek reimbursement for the same and will not seek or accept high cost support. As with its wireline service, inclusion of Affordable Phone Services's wireless service will not pose any adverse effect in the growth in the high cost portions of the USF, nor will it create or contribute to an erosion of high cost funding from any rural or non-rural telephone company.
- 30. The FCC reaffirmed this position when it recently stated that "the potential growth of the fund associated with high-cost support distributed to competitive ETCs" is not relevant to carriers seeking support associated with the low-income program. <sup>30</sup> Based upon recent Commission-compiled data, the Federal Lifeline program remains significantly

13

<sup>&</sup>lt;sup>30</sup> Petition of TracFone Wireless, Inc. for Forbearance from 47 U.C.S. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i), CC Docket No. 96-45, Order, 20 FCC Rcd 15095 (2005) (TracFone Forbearance Order) at ¶ 17.

underutilized. According to Commission data, nationally, only 33.7% of eligible households participate in Lifeline.<sup>31</sup>

- 31. The FCC also recognized that the total effect of additional low-income only ETC designations would have a minimal impact on the fund when it stated that "any increase in the size of the fund would be minimal and would be outweighed by the benefit of increasing eligible participation in the Lifeline and Link Up programs, furthering the statutory goal of providing access to low-income consumers."<sup>32</sup>
- 32. It is also vital to recognize that in the case of Lifeline and Link Up support, an ETC receives USF support *only* for the customers it obtains. In the scenario where a competitive ETC obtains a Lifeline customer from another ETC, only the "capturing" ETC provides Lifeline discounts and as a result, only the "capturing" ETC receives support reimbursement.
- 33. In addition, all providers are required to contribute a portion of the interstate revenue received from its customer to the Universal Service Fund. In accordance with current federal regulations, Affordable Phone Services will make contributions based on that portion of its revenue that is determined to be interstate. As such, approving Affordable Phone Services as an ETC will actually create contributions to the USF that were previously non-existent.

## Affordable Phone Services Has Internal Controls in Place to Prevent Subscribers from Receiving More Than One Lifeline Discount

34. Consistent with Federal requirements, Affordable Phone Services requires customers to self-certify at the time of service activation and annually thereafter that they 1) are the head of household; 2) participate in one of the state approved means tested programs; 3) will be receiving Lifeline-supported services only from Affordable Phone Services; 4) do not

<sup>&</sup>lt;sup>31</sup> 2007 Wireline Competition Bureau, FCC, <u>Trends in Telephone Service</u>, Table 19.1 and Chart 19.1.

<sup>&</sup>lt;sup>32</sup> TracFone Forbearance Order, at ¶ 17.

currently receive Lifeline support; and 5) will notify Affordable Phone Services in the event that they no longer participate in the qualifying program. Verification of continued eligibility is accomplished by contacting a statistically valid sample of the Company's Lifeline customers.

#### Affordable Phone Service will complay with all state and federal requirements.

- 35. By this application, Affordable Phone Services asserts its willingness and ability to comply with all the Commission's ETC rules and regulations. Applicant has requested USF support to the federal USF low income support program for wireless service in addition to its wireline service offering. Additionally, Applicant certifies that all low income USF funding it receives will be used to provide a credit to its Lifeline and Link-up eligible customers consistent with 47 CFR 54.403.
- 36. Affordable Phone Services agrees to use the same qualifying criteria for its wireless customers for Lifeline and Link-Up as is offered in AT&T territory. The Applicant will provide Lifeline customers an additional \$3.50 credit in order that the federal matching funds can be maximized. This will result in a Lifeline credit of \$13.50 per month which is consistent with the credit offered throughout the non-rural carriers' service areas.
- 37. In regard to its wireless offering Applicant agrees to include in its quarterly Service Quality Report the number and justification of applications held for more than 30 days and the number and justification of applications that were denied. Affordable Phone Services will only seek direct low income support from the federal USF for those lines provided through the use of its own facilities or through a combination of its own facilities and the leased facilities of another carrier. Applicant also agrees to report quarterly the percentage of consumers offered Lifeline via resale versus commercial agreements.
- 38. Applicant agrees to abide by all advertising and reporting and verification requirements established by the FCC and Commission for its wireless service.

- 39. Should Affordable Phone Services seek designation as an ETC for high cost support for either its wireline or wireless services, the Company will file an additional and separate application that addresses all applicable state and federal laws, rules and regulations.
- 40. Pursuant to 26 S.C. Code Regs. 103-690(C)(a)(5) through (7), Applicant attaches Exhibit 1, an Affidavit of Certification signed by an officer of Affordable Phone Services.

#### Affordable Wireless dba designation

41. Affordable Phone Services, Inc. no longer intends to continue marketing under the dba designation "High Tech Communications." The Company will continue to market using its legal name "Affordable Phone Services, Inc." and intends to also market its services as "Affordable Wireless." Therefore, we respectfully request that the Commission amend the Company's certification Order No. 2004-497 to reflect the change to "Affordable Phone Services, Inc. doing business as Affordable Wireless."

Affordable Phone Services therefore asks that this Application be granted and that the Commission grant Affordable Phone Services Communications, Inc., a supplemental ETC designation for purposes of providing low income support for its wireless service and to amend its certification Order No. 2004-497.

#### Robinson, McFadden & Moore, P.C.

By:

Bonnie D. Shealy 1901 Main Street, Suite 1200 Post Office Box 944 Columbia, SC 29202 Telephone 803-779-8900 Fax 803-252-0724 bshealy@robinsonlaw.com

and

Stanley Q. Smith
WATKINS LUDLAM WINTER & STENNIS, P.A.
190 E. Capitol Street, Suite 800
Jackson, Mississippi 39201
Telephone 6010 949-4863
Fax 601-949-4804
<a href="mailto:stansmith@watkinsludlam.com">stansmith@watkinsludlam.com</a>

Attorneys for Affordable Phone Services, Inc.

#### BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

**DOCKET NO. 2008-31-C** 

IN RE:	)
	)
APPLICATION OF AFFORDABLE PHONE	)
SERVICES, INC. D/B/A AFFORDABLE	)
WIRELESS DESIGNATION AS AN ELIGIBLE	)
TELECOMMUNICATIONS CARRIER IN	)
THE STATE OF SOUTH CAROLINA	

AF	FID	AV	TT	OF	

Personally appeared before me <u>Joe</u> <u>legNard</u>, who, being first duly sworn, deposes and states the following:

- 1. My name is 100. I am employed by Affordable Phone Services, Inc. d/b/a Affordable Wireless ("Affordable Phone Services" or the "Company") as Problem. My business address is 2303 55 17th 5th 0 and ft 3447 I am an officer of the Company and am authorized to make this Affidavit on its behalf, and it is based on my personal knowledge. This affidavit is given in support of the application to amend the order designating Affordable Phone Services as an eligible telecommunications carrier.
  - 2. On behalf of Affordable Phone Services, I certify and assert the following:
    - a. Affordable Phone Services will provide Lifeline and Link-up service in a timely manner throughout the designated service area upon reasonable request of an eligible customer;

b. Affordable Phone Services acknowledges that the Federal Communications Commission may require the Company to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area;

c. Affordable Phone Services will offer the services that are supported by the federal universal service support mechanisms by using a combination of its own facilities and resale of another carrier's services;

d. Affordable Phone Services will advertize in a media of general distribution the availability of such services, including lifeline services and the applicable charges; and

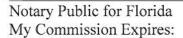
e. Affordable Phone Services will provide service within a reasonable period of time, if the potential customer is within its licensed service area but outside its existing network coverage, if service can be provided at reasonable costs.

Dated this 2 day of MA, 2010.

Affordable Phone Services, Inc. d/b/a Affordable Wireless

By:

SUBSCRIBED and sworn to before me this **2** ( day of **MAY** , 2010.



01/24/2014

